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tained in their early stages only with great labour and perseverance, and that much difficulty and discouragement will almost necessarily attend them in their progress; the seeds sown are of a kind which require a long period to germinate. But a time will arrive in every profession, when such prizes as it can offer will be more or less, as a natural consequence, in the hands of those who have gained their knowledge, or at least improved it, by the help of its institutions; and then may the friendly aid which they so opportunely afford be said to be permanently secured.—ED. A. M.

The Modern Method of Valuation in Life Assurance Companies.

THE nature of the business of a Life Assurance Company is such, that it has ever been a matter of some difficulty to exhibit to unskilled persons the real condition of one as regards its finances. The old methods, indeed, profess to give this information with much precision; but it is now pretty well understood that this is not the case, and that they certainly do not supply all the information they should. Those of modern origin, on the other hand, enable us to arrive at the state of a Company's finances with great accuracy; and we cannot help thinking that, had the way in which they do this been more generally understood, less objection would have been raised to the introduction of them. To establish this position, we will proceed to give a few instances of the kind of information which the methods in question put within our reach; taking our examples from actual cases, and adopting the figures which appear in the reports placed before the public. It will be convenient to give at once the following statement, and the comments we have to make upon it will then be more readily understood.

(1) Office.	(2) Annual Income from Premiums.	(3) Value of Gross Premiums.	(4) Value of Marginal Additions to be reserved.	(5) Amount actually Reserved.	(6) Sum Anticipated.	(7) Number of Years' Extra Income anticipated.
	£.	£.	£.	£.	£.	
A	36,256	532,701	133,175	112,664	20,511	2·2
B	25,000	275,425	68,856	23,347	45,509	7·3
C	82,205	1,120,030	280,007	57,696	222,311	10·8

The estimate here proceeds on the supposition that the pre-

miums for the risk have been loaded to the extent of 33·333 per cent.; or, in other words, that the premiums charged are one fourth more than they need be, to provide for the sums assured; also, that the elements used in the valuation correspond with those yielding the premiums so loaded.

The figures in columns 2, 3, and 5, are supplied by the reports, and are the basis from which the others are derived. Thus, the value of the gross premiums being given, one fourth of it will constitute that of the marginal additions; and if there be no anticipation, this fractional part will be reserved. Whatever sum short of it be reserved, will of course represent the amount anticipated; and this, divided by the annual extra income, will show the number of years during which such income is absorbed. It is probable that, tried by this test, most of the Companies would exhibit an anticipation of some portion of the amount to be reserved; and the advantage of the mode of valuation under consideration is, that it enables us with ease to determine to what extent this anticipation has gone. By the old method we can learn nothing of this. We know, from the principles on which it is conducted, that there is some encroachment on the reserve fund; but what, we have no means of arriving at. This would seem to be so radical a defect as to render the method all but useless, and to make it very desirable for all parties that the more accurate one should be generally resorted to.—ED. A. M.

*Decimal Coinage.**

IT seems pretty well settled that we are to have a *decimal coinage*. Nobody now resists the principle, or denies the alleged advantages. One particular plan has, from the very commencement, commanded all but unanimous assent. Two Royal Commissions, a Committee, and finally a vote of the House, have decided strongly in favour of it; and a powerful Association, supported by more than two hundred Members of Parliament, by the Bank of England, and by private bankers and merchants, has been organized for its promotion. Discussions at the Society of Arts, the Institution of

* We are glad to give such further publicity as we are able to the greater portion of this well written article, which appears in No. II. of the *National Review*. The numerous arguments brought forward by the writer are well worthy of consideration, and, as it seems to us, leave no room for doubt as to the superiority of the plan advocated by the Royal Commissioners and the Committee of the House of Commons.—ED. A. M.